MaineCare Services
An Office of the Department of Health and Human Services

FOR DISCUSSION
DRAFT
PURPOSES ONLY

MaineCare Non Emergency Medical Transportation System Redesign

Stakeholder Forum

April 25, 2011

http://www.maine.gov/dhhs/oms/nemt/nemt_index.html

All documents and materials concerning the NEMT project reflect MaineCare's current thinking and are subject to change. No materials on NEMT web page, distributed and discussed at meetings or sent in emails or mailings are binding in any way concerning the future procurement process.

Agenda

• Welcome & Session Objectives	9:00 – 9:10
• Background of NEMT Redesign Initiative	9:10 – 9:20
• Overview of Current System	9:20 – 9:35
• Overview of the Single Statewide Brokerage Model	9:35 – 9:55
• Break	9:55 – 10:05
• Stakeholder Discussion re Model Design	10:05 – 11:50
• Target Timeline & Next Steps	11:50 – 12:00

Session Objectives

- Provide background and goals of the Non-Emergency Medical (NEMT) Transportation Redesign Initiative.
- Present overview of the current NEMT system and the planned brokerage model.
- Receive suggestions and feedback from stakeholders to inform key components of model design.
- Outline the initiative's target timeline and next steps.

The presentation from today's forum will be posted to the NEMT Redesign website, along with a summary of feedback and questions we receive:

http://www.maine.gov/dhhs/oms/nemt/nemt_index.html

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Initiative Background

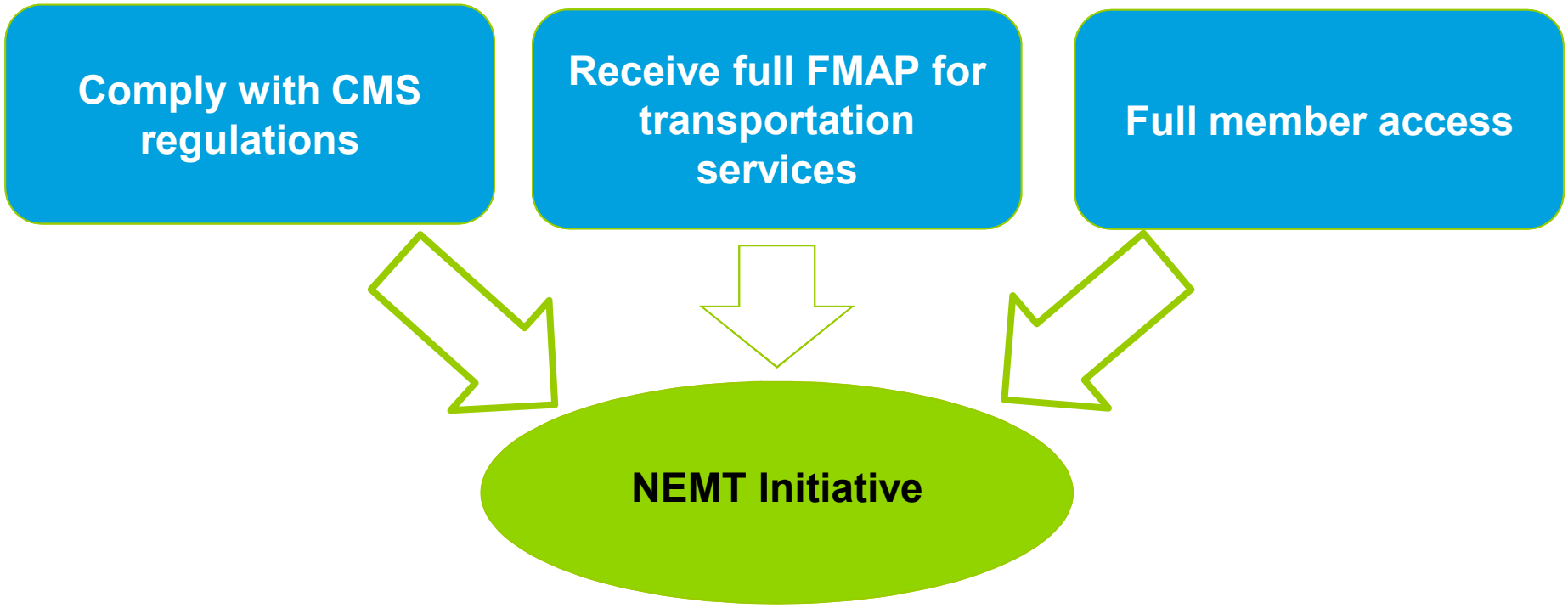
- The Office of MaineCare Services (OMS) worked with the MaineCare Member Advisory Committee and the Full Service Regional Transportation Providers (FSRTPs) over the past year to submit a 1915(b) waiver application to the Centers for Medicare & Medicaid Services (CMS) with the intent to:
  - Maintain the current system structure.
  - Claim the Federal Medical Assistance Percentage (FMAP) match rate for all NEMT services.
- CMS notified OMS in November 2010 that the waiver application was denied and presented Maine with options for system redesign. The Department of Health and Human Services (DHHS) was asked to reply by January 31, 2011.
- DHHS requested an extension until February 28, 2011, in order to brief the new administration on the status and options for NEMT.
- DHHS decided to restructure NEMT as a single, statewide risk-based Prepaid Ambulatory Health Plan (PAHP).
- To accomplish this goal, the NEMT redesign team is working to develop an Request for Proposals (RFP) for issuance in Summer, 2011 for a target Winter 2012 implementation.

Aspects of the current system are out of compliance with CMS regulations.

- FSRTPs acting as both broker and provider:
  - Potential conflict of interest: CMS states that FSRTPs have an incentive to self-refer trips, rather than selecting the most cost effective mode that meets the member's needs.
  - Payments for the cost of trips must go to the direct transportation provider, whether an agency, volunteer, family, friend or member. Payments cannot go to the FSRTP in cases where the FSRTP did not directly deliver the transportation, since CMS only allows for "pass-through" payments to be made to a qualified business agent. The FSRTPs do not qualify as business agents since they both arrange and provide for services.

- Problems with Claiming FMAP:
  - The state cannot claim FMAP for the administrative fees that go to the FSRTPs, they can only claim the 50% administrative rate.

Goals of Initiative: Why a Risk-based PAHP?



A risk-based PAHP is the only option that meets all 3 goals.

Why did DHHS select this option over the other options that CMS presented?

CMS Options	Comply with CMS regulations	Receive full FMAP for NEMT	Full member access
Risk-based PAHP	✓	✓	✓
Non-risk PAHP with regional contracts	✓	X 50% rate for administrative portion of services	X Very difficult for FSRTPs to meet 24/7 PAHP access requirements
State Brokerage with State Plan Amendment	✓	X 50% rate for administrative portion of services	X Family, friends & volunteers would have to enroll as providers
Maintain current system w/ all svcs matched at administrative rate	✓	X 50% rate for all services	✓ Though system would still not provide 24/7 access

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Current NEMT System

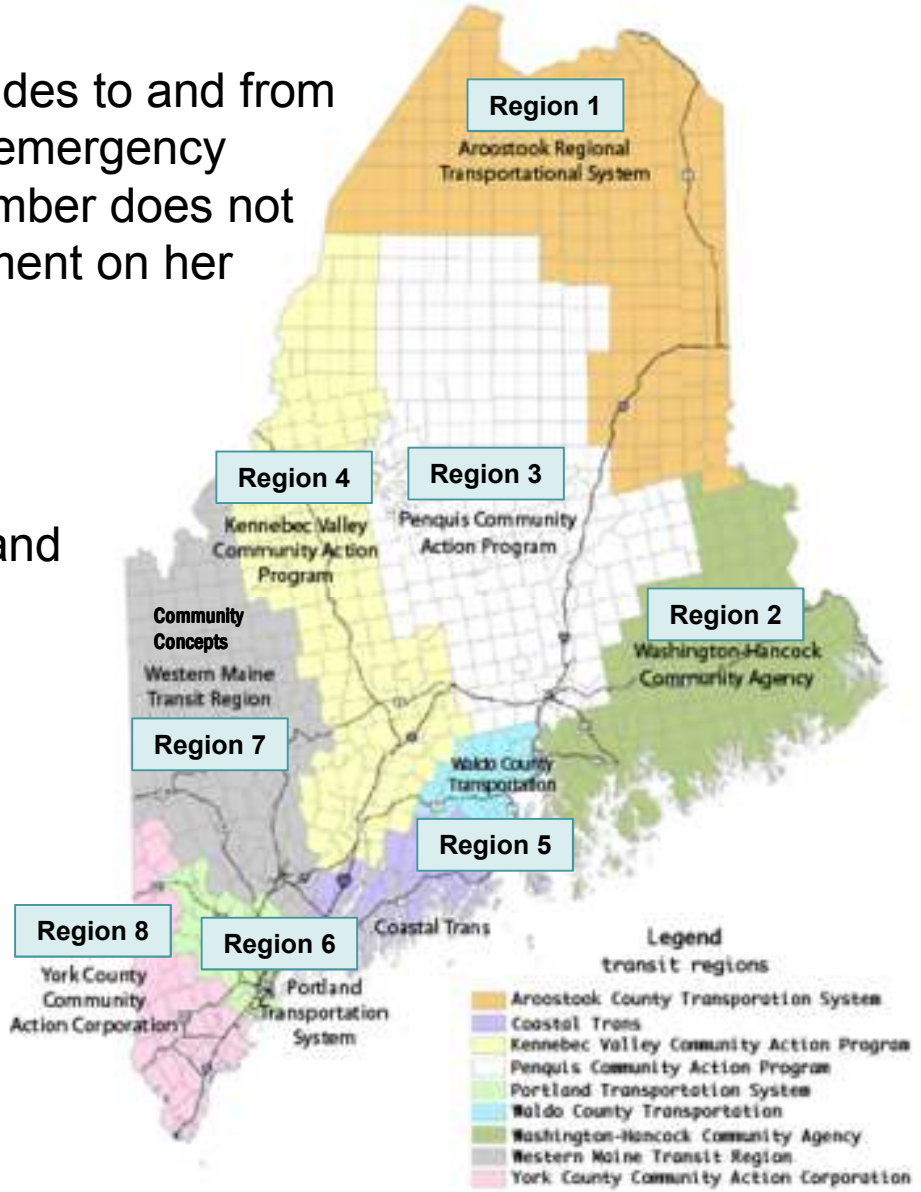
What are NEMT Services?

NEMT services are used to give members rides to and from doctor appointments or other covered, non-emergency Medicaid services when the MaineCare member does not have an alternate way to get to the appointment on her own.

How does NEMT function in Maine?

Currently, 10 Full Service Regional Transportation Providers (FSRTPs) broker and provide transportation in Maine's 8 transit regions. MaineCare currently covers the following transportation modes:

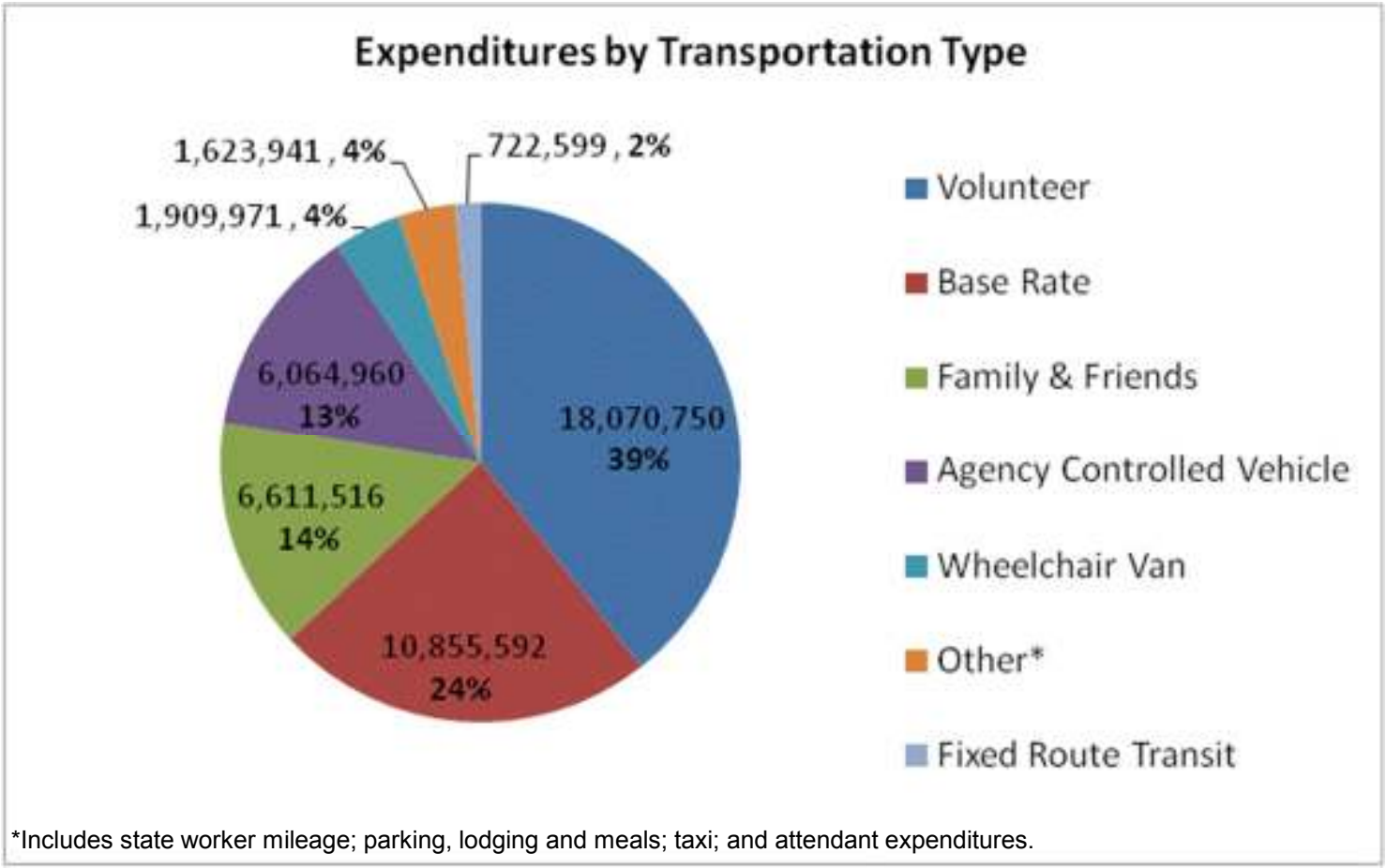
- Agency vehicles
- Volunteer reimbursement
- Family, friends & member reimbursement
- Fixed Route Transit (two regions)
- Wheelchair van
- Taxi



Maine relies heavily on volunteer, family & friend reimbursement, totaling over half of NEMT spending.

	SFY 09	SFY 10
Total MaineCare transportation spending (NEMT & waiver)	**$44.7M**	**$45.9M**
Total distinct members receiving transportation	**42,449**	**44,296**
% of total MaineCare members receiving transportation	**13.9%**	**13.6%**

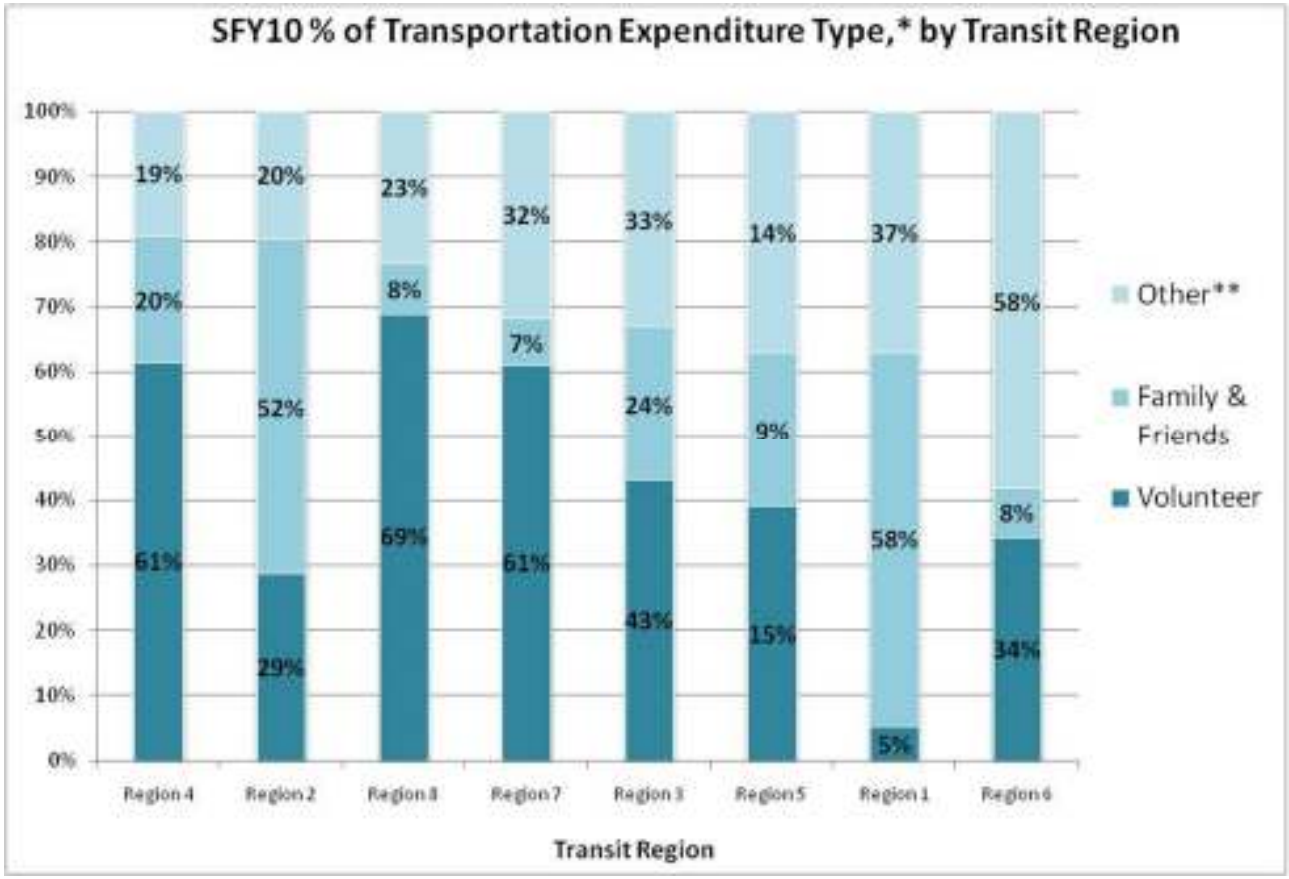
- ~$45M annual spending
- ~14% of MaineCare Members



*Includes state worker mileage; parking, lodging and meals; taxi; and attendant expenditures.

- Base rates paid to current FSRTPs represent almost 25% of total spending.

Expenditures by transportation type vary widely by transit region.

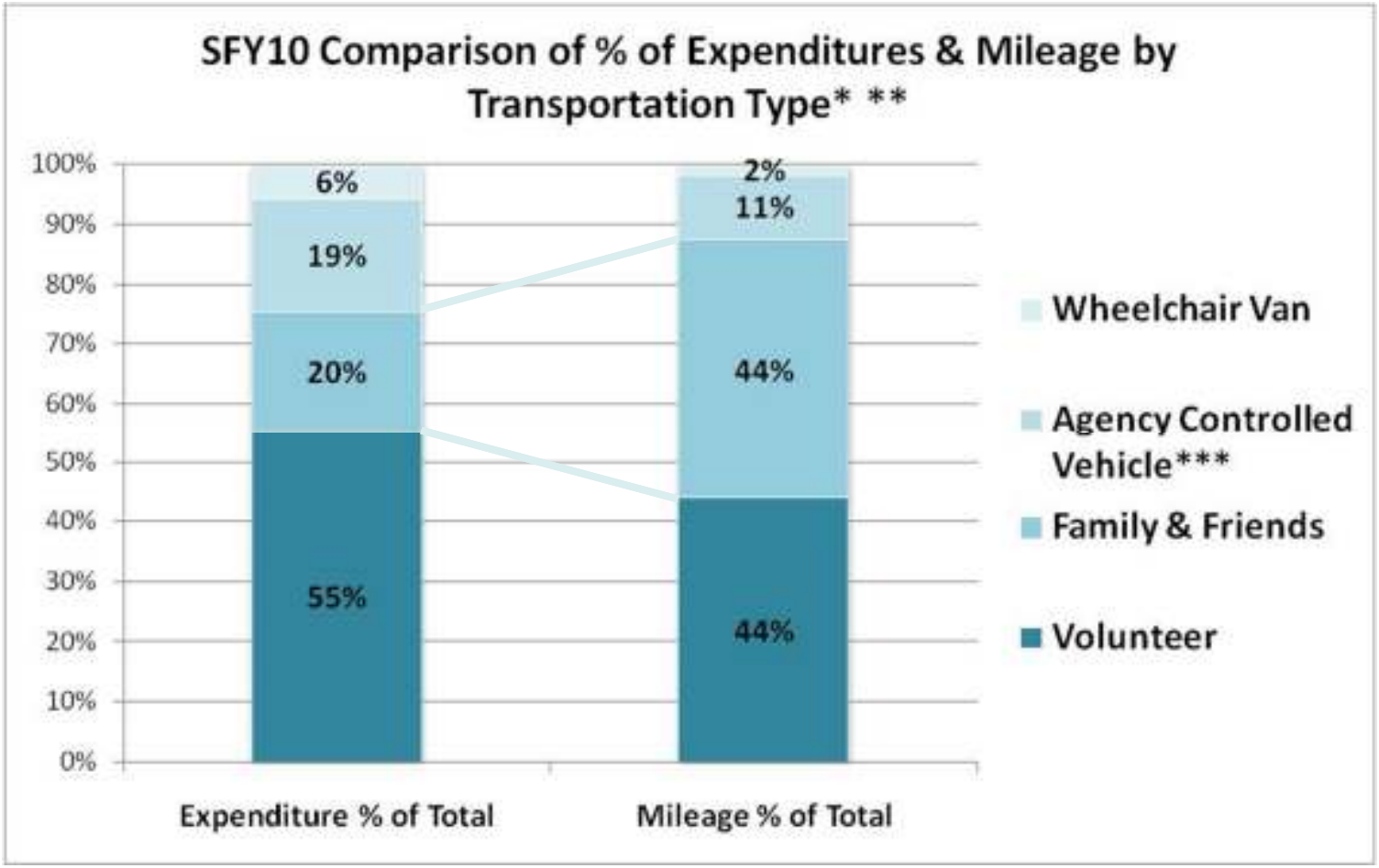


- On one end, 80% of NEMT dollars are spent on family, friends & volunteer reimbursement in Regions 2 and 4 (Washington-Hancock Community Action and Kennebec Valley CAP).
- On the other end, family, friends & volunteer reimbursement makes up just over 40% in Region 6 (RTP Portland).
- This variation is likely related at least in part to geographical differences between the regions.

*Excludes provider base rate expenditures. SFY10 data includes higher rates for day habilitation trips; rates have since been standardized.

**Includes expenditures for agency-controlled vehicles, pass-through payments to other providers, wheelchair van, fixed route transit, state worker mileage, parking, lodging and meals, taxi, and attendant expenditures.

Family & friends is the most cost effective mode of mileage-based transportation, accounting for a much larger proportion of mileage than of costs.



Transportation Type	SFY10 Ave Cost/ Mile*
Wheelchair Van	1.65
Agency Controlled Vehicle	0.86
Family & Friends	**0.23**
Volunteer	0.62

*SFY10 data includes higher rates for day habilitation trips; rates have since been standardized.

**Chart excludes base rate costs and fixed transit, for which there are no mileage data.

***Costs for "Agency Controlled Vehicles" may include pass-through reimbursement to other providers.

Transportation concerns were a common theme over the course of work on Maine's Managed Care Initiative.

Feedback from Listening Sessions:

- Appreciation of the availability of transportation services in the community
- Complaints in certain regions of:
  - Members left stranded at appointments.
  - No means to get to a pharmacy or to lab tests following an appointment.
  - Long waits for mileage and lodging reimbursement for medical appointments that are far from home.
- Inability to access urgent care, leaving members to inappropriately seek help at the emergency room.

Member Services Committee Recommendations:

- Extended hours of availability (not just 9-5 from Monday through Friday).
- Access to urgent care.
- Increased reliability and timeliness of transportation providers.
- Increased subsidization of buses and taxis, which would facilitate access to urgent care.

"MaineCare and whoever provides rides really have to work together because… [the transportation service] wants two days [notice] in advance. Well, your doctor doesn't see it that way and MaineCare doesn't see it that way. So they really have to get together and work it out."

--MaineCare Member

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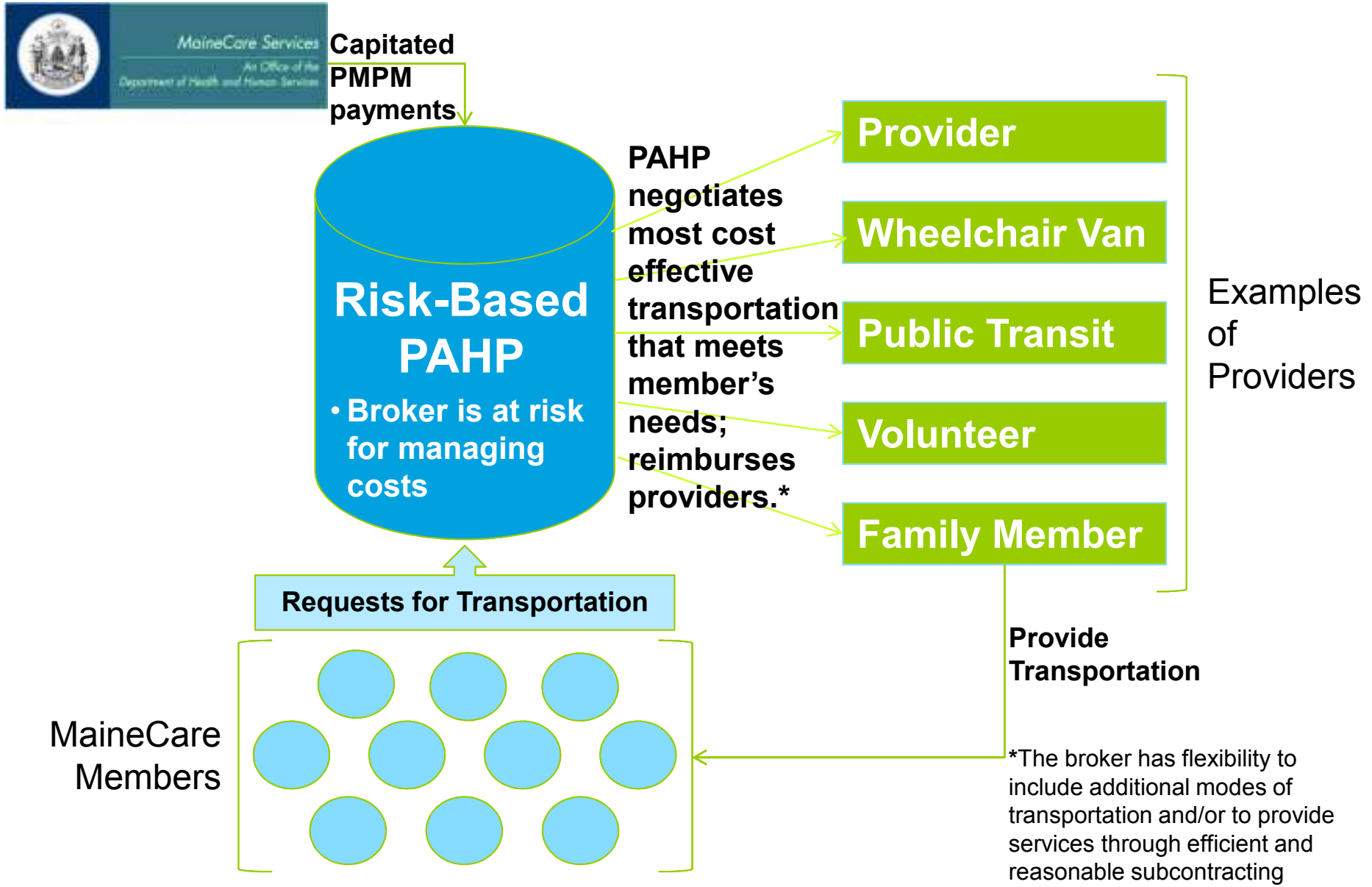
How does a single, statewide brokerage system function?



*The broker has flexibility to include additional modes of transportation and/or to provide services through efficient and reasonable subcontracting relationships.

Brokerages around the country have resulted in many improvements

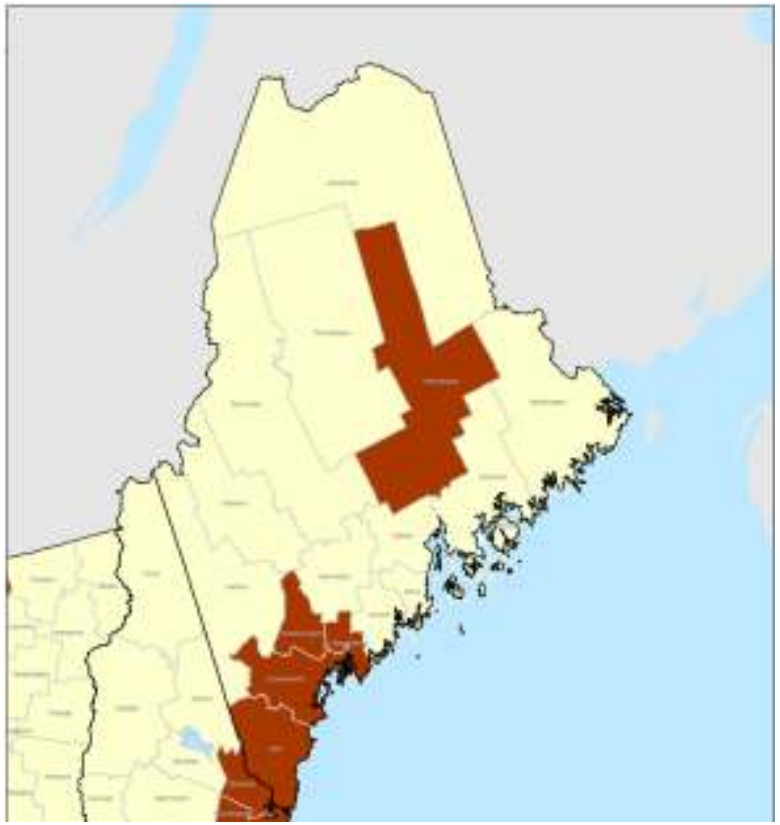
OMS has documented that at least:

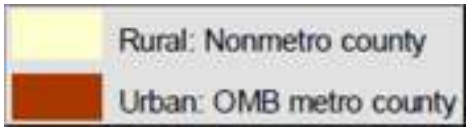
- 28 states currently use or are in the process of procuring a brokerage system.
- 13 states currently use or are planning to use capitated rates.
- 12 states currently use or are planning to use a single, statewide broker.
- 8 states currently use or are planning to use a single, statewide broker with capitated rates: Delaware, Kansas, Missouri, Nevada, Oklahoma, Utah, Virginia and Wisconsin.

On the whole, brokerages have been demonstrated to:

- Decrease costs per trip.
- Increase ridership and improve access to non-emergency transportation services.
- Improve member satisfaction.

Many states using a risk-based, single statewide broker have large swaths of rural areas





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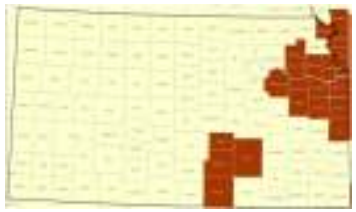

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Model Design Discussion

Discussion Areas	
• Populations & Service Coordination	20 min
• Broker Requirements	15 min
• Broker Performance Standards & Quality Improvement	15 min
• Maintenance of Volunteer Network	20 min
• Grievance & Appeals Process	15 min
• Other Feedback & Questions	20 min

Ground Rules

- Please use the microphone.
- Limit comments and questions to the discussion area on hand; other topics will wait until last.
- Limit comments or questions to 2 minutes apiece to allow others time to talk.
- Read testimony will not be accepted; please submit any written documents to Shannon Martin at shannon.martin@maine.gov and we will review and post to our website.

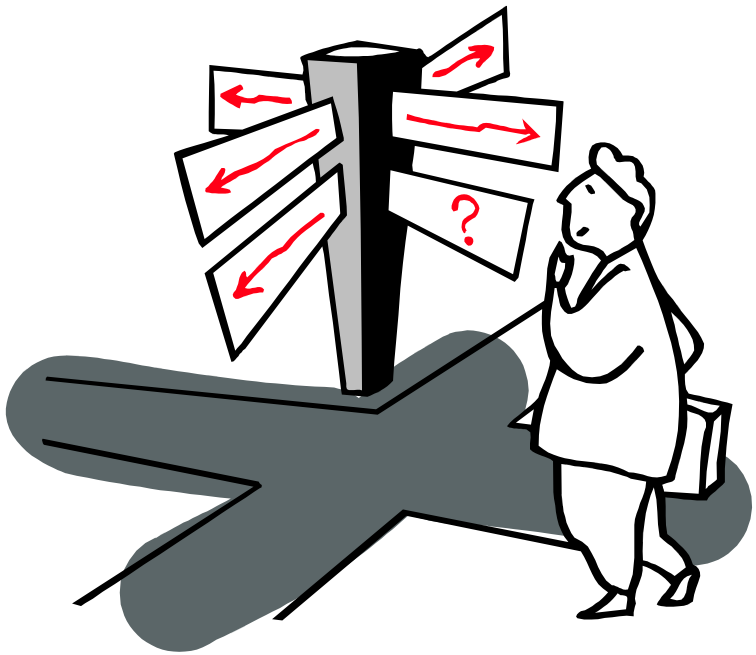
Populations & Service Coordination

Access to MaineCare services represents only a portion of consumer's transportation needs.

In order to facilitate a coordinated approach and maximize access, OMS is working with:

- CMS
- Other Offices within DHHS,
- The Department of Transportation, and
- The Department of Labor.

DHHS is committed to maintaining access to federally-funded vehicles by ensuring that rides remain open to the general public.



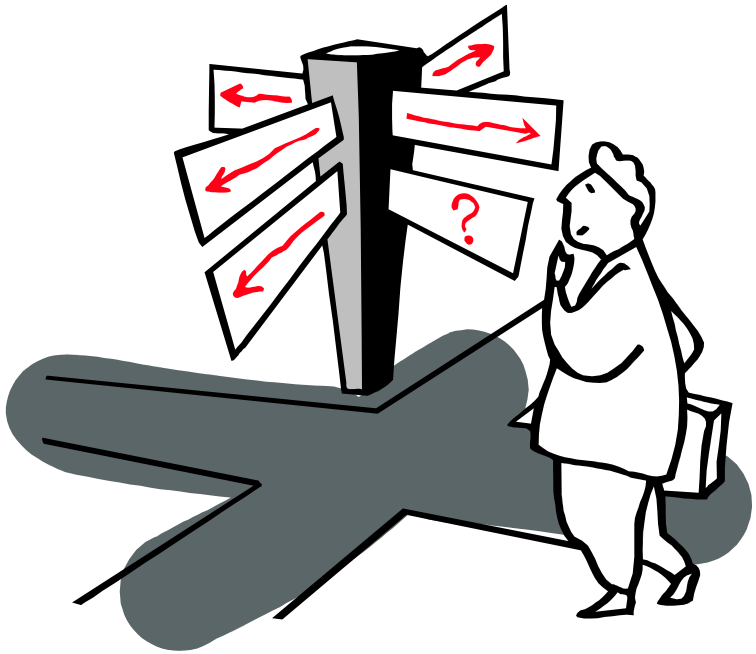
Populations & Service Coordination, continued

OMS is working with CMS and other Offices within DHHS to incorporate transportation to all MaineCare-covered services in the new system, wherever feasible and appropriate. The current plan includes transportation services for:

- Home & Community Based Services (HCBS) 1915(c) waiver populations
  - Individuals with intellectual disabilities and Autism Spectrum Disorders
- Non-categorical & HIV/AIDS 1115 waiver populations
- Children's Health Insurance Program

OMS continues to work with the Office of Elder Services to determine whether inclusion of HCBS waiver services for the elderly and individuals with physical disabilities would be feasible and appropriate.

OMS will be in communication with all providers of transportation to HCBS waiver services with more detail and next steps in the near future.

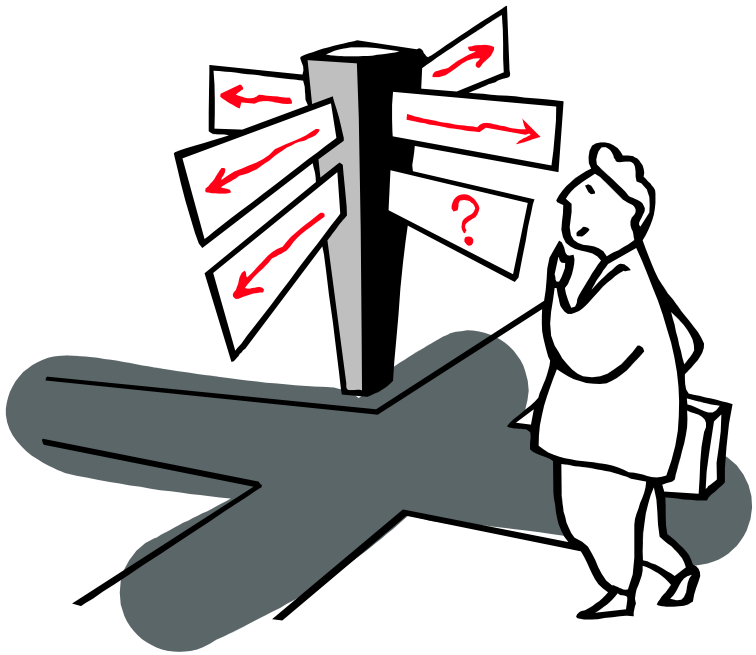


Populations & Service Coordination, continued

DHHS's eventual goal is for all consumers to be able to call one number for transportation to DHHS services

DHHS is having discussions with all its Offices to discuss the benefits, challenges and potential timeline for a Department-wide implementation of the single brokerage system for all transportation contracts.

A single transportation system for DHHS has the promise to improve consumer access and the provision of coordinated, cost effective, quality transportation services.



Populations & Services Discussion:

- What can OMS do in the RFP to ensure access and coordination?
- What other challenges should OMS be aware of?

Broker Requirements

Function as both Broker & Provider

- Under a risk-based PAHP, CMS technically allows the broker to also act as a provider.
- This is not considered best practice nationally
  - An outside entity could supplant current transportation providers.
  - This may take away the broker's focus on ensuring quality, cost efficient service.
- If DHHS were to allow the broker to also provide transportation directly in order to ensure coverage in hard-to-serve areas, DHHS would likely limit self-referral through:
  - A cap on the number of self referred trips (for example, 5%)
  - Policy that the broker could only self-refer if no other providers or appropriate modes of transportation were available

Broker Requirements, continued

Location of Broker

- It is common for states to require any broker to have an in-state presence. Maine is likely to adopt this requirement.

Access Requirements

- 24/7 access to services
- Same-day requests for urgent care
- Bidder must demonstrate adequacy of proposed provider network. The bidder may be asked to provide detail on:
  - Letters of agreement with current providers.
  - Documentation of number and location of vehicles.

Software Capability

- DHHS is considering the requirement that the Contractor have a software application that:
  - Can accurately and efficiently track and route trips.
  - Calculate mileage.
  - Account for Maine's rural and urban areas.

Broker Requirements Discussion:

- Are there other reasons why DHHS should or should not allow a broker to act as a provider?
- Are there other location requirements DHHS should place on a broker?
- What else should a broker need to do to demonstrate provider network adequacy?

Performance Standards & Quality Improvement

- MaineCare will select a set of core quality measures relating to broker performance
  - Will be described in the RFP.
  - Will be subject to incentives and/or penalties.

- Examples of quality benchmarks in other states:
  - Call center
    - Abandonment rate
    - Wait time
    - Speed to answer
    - Member satisfaction with call center
  - Member satisfaction with transportation
  - No members stranded
  - No members left unattended
  - Timeliness of provider payment (100%)
  - Vehicle inspection rate (100%)
  - Increase in percentage of alternative transportation (family and friends, volunteers, fixed route transit)

Performance Standards Discussion:

- What are other kinds of measures for which OMS should hold a broker accountable?
- What incentive or penalty structures should the broker contract incorporate?

Maintenance of Maine's Volunteer Network

- The risk-based brokerage structure enables the continuation of Maine's volunteer network and does not require volunteers to enroll as providers.
- OMS does not plan to have volunteers meet the same criteria as other drivers.
- The broker may either coordinate and reimburse volunteers directly or subcontract with another entity for these functions, as long as the broker can demonstrate that subcontracting would be an efficient and reasonable use of resources.

Volunteer Network Discussion:

- What should OMS do in the RFP to ensure maintenance of the volunteer network?

Member Grievance & Appeals

CMS Regulations:

- CMS requires that enrollees are notified of their right to a State fair hearing under a risk-based PAHP model.
- There are no requirements for a PAHP to have additional grievance and appeals processes. This is different from CMS requirements for Managed Care Organizations, since a PAHP is not considered a "comprehensive risk contract," meaning it is not responsible for inpatient hospital and other medical services.

Practices in Other States:

- The broker is responsible for having a grievance and appeals process.
  - Submitted for State review and approval
  - Has provisions for expediting decisions
  - Verbal denial followed by written denial of service, including notification of members' rights to appeal
  - Monthly grievance reports to state

OMS will be reviewing the draft grievance and appeals system developed through the Managed Care Initiative to determine its applicability to NEMT.

Member Grievance & Appeals Discussion

Other Feedback & Questions?

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High-Level Target Timeline

March 2011 — **NEMT Initiative Launched**

Summer 2011 — **RFP Issued**

Winter 2012 — **Implementation**

Next Steps

- **May MaineCare Member Focus Groups:** OMS is working with Maine Equal Justice Partners to convene a group of Members with the objectives to:
  - Provide an overview of the reasons and plans for the transportation system redesign
  - Summarize the transportation feedback we've received through the Managed Care process
  - Receive general feedback about the current and proposed model
  - Present and discuss proposed access standards and quality measures
- **Summer RFP**
  - RFP open for 2.5 months
  - Bidders' Conference ~2 weeks after RFP is posted
  - Mandatory Letters of Intent due 30 days after Bidders' Conference
- **Fall Award & Decision Letters**

Thank you!

Please visit our NEMT Redesign website for materials from today and to keep up to date:

http://www.maine.gov/dhhs/oms/nemt/nemt_index.html